

Taconic
TELEPHONE CORP.

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November 9, 1992

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

92-100 RECEIVED

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MAIL ROOM

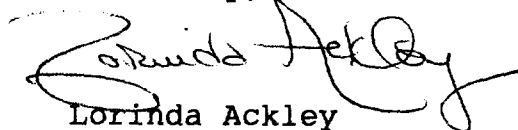
RE: Amendment of the
Commission's Rules to
Establish New Personal
Communication Services

Dear Ms. Searcy:

Please find enclosed for filing the original and five copies of Taconic Telephone Corp.'s comments in the above-captioned proceeding.

Thank you.

Sincerely,


Lorinda Ackley
President

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Amendment of the Commission's)	GEN Docket No. 93-14
Rules to Establish New Personal)	ET Docket No. 92-100
Communications Services)	

NOV 6 1992

COMMENTS OF
TACONIC TELEPHONE CORP.

MAILED 11/11/92

Taconic Telephone Corp. (Taconic) submits the following comments to the Federal Communications Commission (FCC or Commission) regarding "Amendments to the Commission's Rules to Establish New Personal Communications Services."

Taconic, an independent telephone company headquartered in Chatham, New York, serves approximately 21,900 access lines from 11 digitally switched exchanges in upstate New York and part of Hancock, Massachusetts. Our predominately rural franchise area is approximately 600 square miles; 74 miles of fiber optic cable is used for interoffice trunking. Two separate subsidiaries provide cable TV and cellular service. Taconic's 1991 annual revenues were \$15.4 million.

The proposed rules are designed to enable PCS providers the ability to reach and serve existing and new markets in an economic and responsive manner. In general, we concur with the Commission that such services should be provided with the highest quality at competitive rates to the greatest number of consumers. We are also pleased the Commission is determined to have PCS deployed and delivered with the least possible regulatory delay.

Overall, we are encouraged the Commission is moving towards making personal communications services (PCS) a reality by undertaking this proceeding.

However, we respectfully request the Commission allow local, rural telephone companies with cellular interests entry into PCS within their service territory. In addition, we recommend PCS service areas correspond with the sizes of the cellular RSAs and MSAs.

Wireline carriers were determined by the Commission to be viable participants in the provision of cellular services. When cellular licenses became available in the areas Taconic serves, we obtained a 7.5 percent interest in the Orange-Poughkeepsie SMSA and a 16.67 percent interest in the Columbia-Green RSA 6 through a pre-lottery settlement. We believe our limited participation in cellular should not prohibit our entry into PCS technology, which may or may not prove to be a competitor to cellular.

PCS is still an evolving technology. Since its ultimate applications and configuration are unknown, we suggest it is imprudent to prohibit any potential PCS provider from participating in its deployment. The Commission should seek providers like Taconic Telephone who are committed to customers, technologically proficient and financially sound.

Our corporate goals include balancing the needs for a state-of-the-art network and reasonably-priced services for all of our customers. We serve a diversified customer base including large

and small businesses, native rural residents, and more-telecommunications demanding second-homeowners from metropolitan areas.

Taconic Telephone has 84 years of telecommunications experience. We have a long tradition of serving remote and sparsely populated areas with the latest, quality telephone service at competitive rates. We are a dedicated part of the community we serve and are one of its largest employers. Our success directly correlates with the economic well-being of our area.

To ban us unconditionally from an opportunity to enhance our current service or expand into new areas seems punitive, unfair, and contrary to the interests of our subscribers. To do so actually may be contrary to the Commission's objectives as stated on page four, "to reach and serve existing and new markets in an economic and responsive manner," and "to ensure that all mobile services are provided with the highest quality at low-cost, reasonable rates to the greatest number of consumers."

Finally, with the local exchange opened to competition, telephone companies need the ability to respond to customer and business needs by providing services or portions of services that are in demand. PCS could be the most efficient and cost effective way to provide telephone service to remotely located customers such as farmers or to large business customers.

While we understand the concerns of the Commission regarding the size of the service areas, we feel the Commission should

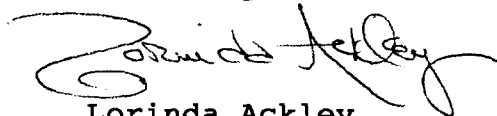
consider service areas based on the size of cellular MSAs and RSAs. This should hasten the deployment of PCS and its benefits to consumers in rural areas.

In conclusion, LECs with cellular interests should not be prohibited from participating in PCS for the following reasons: 1) a LEC may only have a minority partnership interest in cellular; 2) PCS is still in the experimental phase of its development; 3) it may be contrary to the Commission's stated interests; 4) LECs are experienced local telecommunications providers; 5) and a competitive telecommunications market should give all interested parties the opportunity to participate in PCS.

In addition, service areas based on MSAs and RSAs will be small enough to allow a large number of entities to participate in PCS and deploy it in a timely manner.

Taconic Telephone is hopeful the Commission will consider these issues when the final decision on Personal Communications Services is developed.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lorinda Ackley", written over a horizontal line.

Lorinda Ackley
President